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The Hu-Kwang Viceroy suspected certain units, and detached them for service up river when Tuan Fang was appointed Director-General of the Hu-kuang Railways, and ordered to pacify Szechwan, As the situation in that province had an important bearing on what followed it had better be described here.

In May, 1911, the Chinese Government entered into a contract with an American, British, German, and French Banking Group for a loan of £6,000,000 for the construction of the so-called Hukuang Railway system. The projected lines included one from Kwangshui, on the Peking-Hankow railway to Ichang (in Hupeh) and thence to Kwei-choufu in Szechwan. Past experience (notably with the Canton-Hankow, and Shanghai-Hangchow-Ningpo Railways) had convinced the Government of the unwisdom of allowing railway construction to proceed haphazard in the various provinces. It was therefore decided to nationalize the trunk lines. This involved taking over the interests of a provincial railway company that had already started the construction of a railway from Ichang into Szechwan, and wasted millions of dollars, with but little to show for them. The Government proposed to compensate the Szechwan shareholders, partly in cash, partly in bonds. But the

nationali-
zation project, involving as it did centralization of
railway control, struck at what the provinces re-
garded as their rights. Vigorous protests came
from Szechwan, followed by a general strike, and
on September 7, 1911, an open revolt. The Szech-
wan Viceroy was murdered at Chengtu, and Tuan